

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6887

BILL NUMBER: HB 1143

NOTE PREPARED: Jan 7, 2008

BILL AMENDED:

SUBJECT: Farm Vehicles.

FIRST AUTHOR: Rep. Cherry

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 X DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill:

- (1) Specifies that a rule adopted by the Bureau of Motor Vehicles (BMV) to identify a farm truck must include a truck that is used primarily to transport firewood from land used for agricultural purposes to another location in the conduct of a commercial enterprise;
- (2) Specifies that a rule adopted by the BMV to determine whether an implement of agriculture was designed to be operated on a highway: (A) may not exclude an implement of agriculture solely because it is used to simultaneously transport water and fertilizer; and (B) must comply with rules and regulations of the State Chemist concerning the transport of fertilizers;
- (3) Exempts, except for interstate highway travel, a farm truck transporting firewood from statutory height and width requirements;
- (4) Exempts a vehicle that transports firewood from statutory gross weight and axle weight limits if the vehicle does not exceed the statutory limits by more than 10%; and
- (5) Changes references from "implement of husbandry" to "implement of agriculture".

Effective Date: July 1, 2008.

Explanation of State Expenditures: (1) To the extent the trucks involved were not designated as farm trucks at the outset, there will be a reduction in registration revenue because farm trucks pay about one-half the fee of nonfarm trucks of a similar weight. For example, a nonfarm truck of 11,000 lbs. pays a fee of \$84.75, while a farm truck of 11,000 lbs. pays a fee of \$42.75.

Fund	Nonfarm	Farm	Difference
Motor Vehicle Highway Account	\$54.25	\$33.75	\$20.50
Primary Road and Street Account	\$10.73	\$0	\$10.73
Local Road and Street Account	\$8.77	\$0	\$8.77
Public Safety Fee	\$0.25	\$0.25	\$0
Crossroads 2000	\$4.00	\$4.00	\$0
BMV Technology Fund	\$0.50	\$0.50	\$0
Integrated Public Safety Commission (Anti-Terrorism)	\$1.25	\$1.25	\$0
Bureau of Motor Vehicles Commission	\$5.00	\$5.00	\$0
Total	\$84.75	\$42.75	\$42.00

Below is a table which shows the uses of the affected funds.

Fund	Uses
Motor Vehicle Highway Account	Construction, reconstruction, and maintenance, along with supporting the BMV, the State Police, the Dept. of Transportation, and the State Department of Revenue.
Crossroads 2000 Fund	Bonding for highway projects.
Anti-Terrorism Fund	Support the Integrated Public Safety Commission.
BMV Technology Fund	Upgrade technology at the BMV.
BMVC State License Branch Fund	Support the operation of the licenses branches throughout the state.
Primary Road and Street Account	Deposited into the State Highway Fund for use by INDOT Funds must be appropriated.
Local Road and Street Account	Engineering and land acquisition, construction, maintenance, resurfacing, restoration, or rehabilitation.
Public Safety Fee	For the State Police Building Fund.

(2) Specifying that a rule adopted by the BMV to determine whether an implement of agriculture was designed to be operated on a highway will have an indeterminable impact. The adoption of this rule is to allow for the simultaneous transport of water and fertilizer. Drivers are reported to have been stopped on the highways in the past for hauling these two items.

Explanation of State Revenues:

Explanation of Local Expenditures: (2) Specifying that a rule adopted by the BMV to determine whether an implement of agriculture was designed to be operated on a highway will have an indeterminable impact.

The adoption of this rule is to allow for the simultaneous transport water and fertilizer. Drivers are reported to have been stopped on the highways in the past for hauling these two items.

Explanation of Local Revenues:

State Agencies Affected: Bureau of Motor Vehicles; Department of Transportation; State Police; Department of State Revenue as recipients of MVHA distributions; State Chemist.

Local Agencies Affected: Recipients of Motor Vehicle Highway Account and Local Road and Street Fund distributions.

Information Sources:

Fiscal Analyst: James Sperlik, 317-232-9866.